

State of Indiana  
Family and Social Services Administration

**December 2010 Budget Committee Forecast**

Data through October 31, 2010

Presented by

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Principal and Consulting Actuary

December 15, 2010

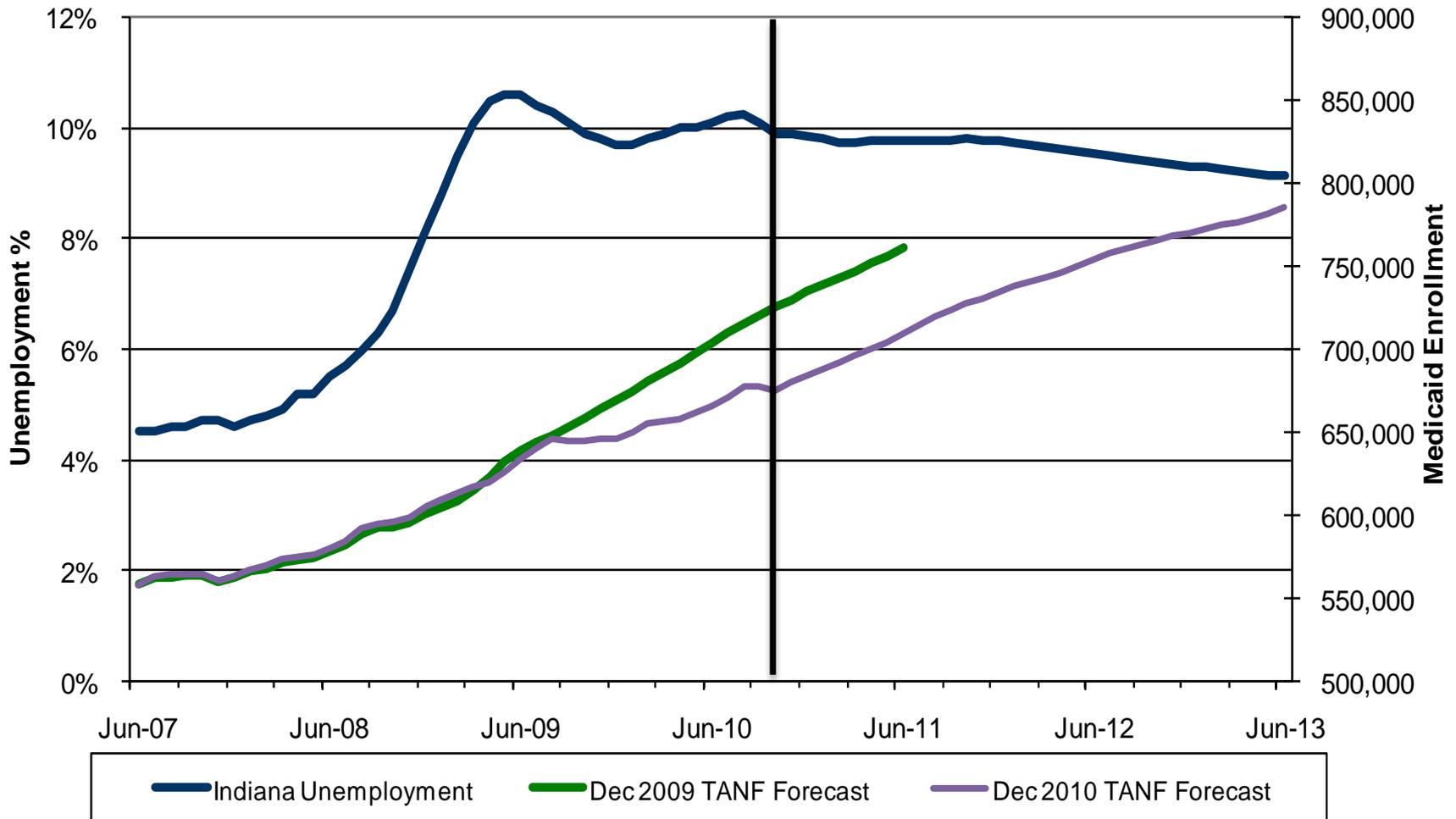
## Projected Medicaid Assistance Need and Increase Requested Relative to SFY 2011 Appropriation (in \$millions)

	<u>SFY12</u>	<u>SFY13</u>
<b>December 2010 Projection</b>	<b>\$1,843</b>	<b>\$2,001</b>
– Administrative Savings Target	(100)	(112)
<b>December 2010 Adjusted Projection</b>	<b>\$1,743</b>	<b>\$1,889</b>
<b>SFY 2011 Appropriation</b>	<b>\$1,429</b>	<b>\$1,429</b>
– SFY 2011 ARRA Adjustment	<u>303</u>	<u>303</u>
<b>Total SFY 2011 with ARRA</b>	<b>\$1,732</b>	<b>\$1,732</b>
– Growth Compared to SFY 2011	<u>11</u>	<u>157</u>
<b>Total Increase From SFY 2011 Appropriation</b>	<b>\$314</b>	<b>\$460</b>

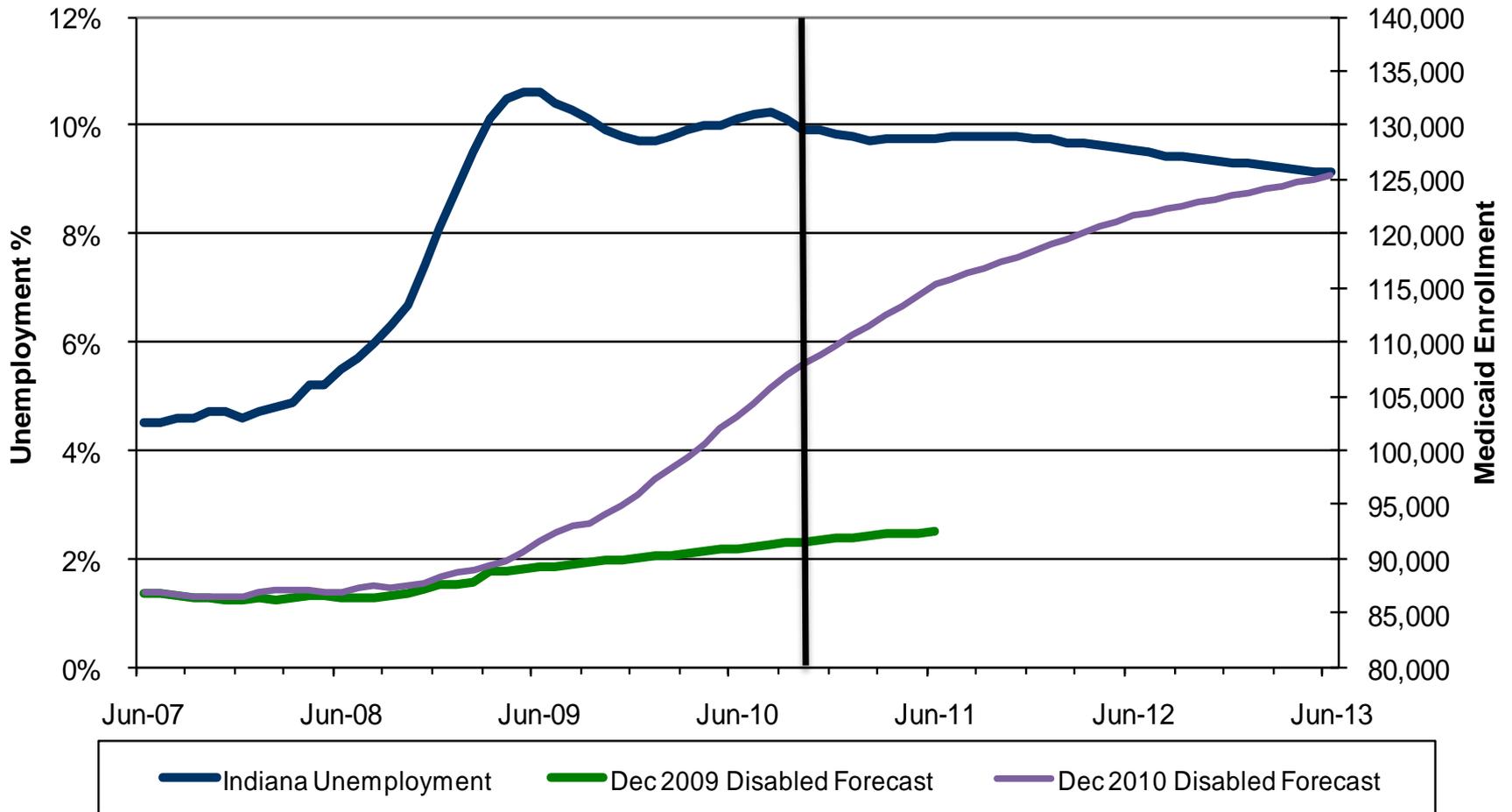
# Medicaid Cost Components

- Eligibility
  - No Reductions Allowed Due to ARRA through June 30, 2011
  - No Reductions Allowed Due to ACA through December 31, 2013
- Benefits
  - Mandatory Benefits must be provided to receive Federal matching funds
  - Changes to any current Optional Benefits not required under ACA will require Legislative Action
- Provider Reimbursement

## Indiana Unemployment & TANF Medicaid Population (Adults and Children)



## Indiana Unemployment & Disabled Medicaid Population



# December 2010 Medicaid Assistance Projection

<b>EXPENDITURES</b>	<b>FY 2010</b>	<i>Growth</i>	<b>FY 2011</b>	<i>Growth</i>	<b>FY 2012</b>	<i>Growth</i>	<b>FY 2013</b>
Fee for Service	\$1,811.7	16.4%	\$2,109.5	14.7%	\$2,419.1	11.1%	\$2,687.1
Capitation Payments and PCCM Fees	1,194.2	(10.5%)	1,068.7	11.7%	1,194.2	8.6%	1,297.0
Healthy Indiana Plan	243.1	(4.0%)	233.4	14.9%	268.1	15.7%	310.1
Long Term Care Institutional Care	1,482.1	2.7%	1,522.2	4.4%	1,588.6	4.1%	1,654.0
Long Term Care Community Care	646.3	3.4%	668.6	17.5%	785.3	5.7%	830.3
Medicare Buy-In, Clawback	258.2	2.3%	264.1	20.8%	319.0	8.2%	345.3
Medicaid Rehabilitation Option	256.9	(29.0%)	182.5	10.1%	200.9	8.2%	217.4
Rebates and Collections	(174.9)	52.5%	(266.8)	11.3%	(296.9)	12.1%	(332.9)
Remove CHIP Program, Provider Tax Receipts	(247.7)	5.4%	(261.1)	9.8%	(286.6)	4.5%	(299.4)
Other Expenditures (DSH, UPL, etc.)	674.2	58.0%	1,065.4	(8.2%)	977.7	(1.1%)	967.4
<b>Medicaid Expenditures (State and Federal)</b>	<b>\$6,144.1</b>	<b>7.2%</b>	<b>\$6,586.4</b>	<b>8.9%</b>	<b>\$7,169.3</b>	<b>7.1%</b>	<b>\$7,676.3</b>
<b>FUNDING</b>							
Federal Funds	4,012.8	7.3%	4,304.7	9.0%	4,690.8	7.0%	5,019.6
DSH	30.0	61.7%	48.4	(19.3%)	39.1	(0.3%)	39.0
Non-State IGTs	25.3	827.3%	234.4	33.4%	312.8	1.8%	318.3
Cigarette Tax Revenues	71.6	18.1%	84.6	32.7%	112.2	10.7%	124.2
QAF Transfer to SBA	(33.3)	19.1%	(39.6)	(49.7%)	(19.9)	0.5%	(20.0)
GF Directed IGTs	288.3	(91.9%)	23.5	714.7%	191.4	1.3%	193.9
<b>Non-Medicaid Assistance Funds</b>	<b>\$4,394.7</b>	<b>5.9%</b>	<b>\$4,656.0</b>	<b>14.4%</b>	<b>\$5,326.4</b>	<b>6.5%</b>	<b>\$5,674.9</b>
<b>Forecasted Medicaid GF Assistance Need</b>	<b>\$1,749.5</b>	<b>10.3%</b>	<b>\$1,930.4</b>	<b>(4.5%)</b>	<b>\$1,842.9</b>	<b>8.6%</b>	<b>\$2,001.4</b>
Less ARRA FMAP Stimulus Funding	\$573.4	(18.7%)	\$466.3				
<b>Required Medicaid General Fund Assistance</b>	<b>\$1,176.1</b>	<b>24.5%</b>	<b>\$1,464.1</b>	<b>25.9%</b>	<b>\$1,842.9</b>	<b>8.6%</b>	<b>\$2,001.4</b>
<b>General Fund Medicaid Assistance Appropriation</b>	<b>\$1,116.0</b>	<b>28.0%</b>	<b>\$1,428.8</b>				
Contingency Fund Contribution	\$57.6						
<b>Sub-total (Shortfall)/Surplus</b>	<b>(\$2.5)</b>		<b>(\$35.3)</b>				

# December 2010 Medicaid Assistance Adjusted Projection

<b>EXPENDITURES</b>	<b>FY 2010</b>	<i>Growth</i>	<b>FY 2011</b>	<i>Growth</i>	<b>FY 2012</b>	<i>Growth</i>	<b>FY 2013</b>
Fee for Service	\$1,811.7	15.8%	\$2,097.5	8.2%	\$2,268.9	10.6%	\$2,509.8
Capitation Payments and PCCM Fees	1,194.2	(10.6%)	1,067.3	9.5%	1,168.3	8.6%	1,268.8
Healthy Indiana Plan	243.1	(4.0%)	233.4	13.0%	263.7	15.8%	305.5
Long Term Care Institutional Care	1,482.1	2.7%	1,521.4	(0.8%)	1,509.7	3.5%	1,562.6
Long Term Care Community Care	646.3	3.1%	666.5	10.4%	736.1	5.4%	775.7
Medicare Buy-In, Clawback	258.2	2.3%	264.1	20.6%	318.5	8.2%	344.7
Medicaid Rehabilitation Option	256.9	(29.0%)	182.4	10.0%	200.8	8.2%	217.3
Rebates and Collections	(174.9)	52.5%	(266.8)	8.1%	(288.5)	9.3%	(315.3)
Remove CHIP Program, Provider Tax Receipts	(247.7)	5.4%	(261.0)	7.6%	(280.9)	4.4%	(293.1)
Other Expenditures (DSH, UPL, etc.)	674.2	58.0%	1,065.4	(8.2%)	977.7	(1.1%)	967.3
<b>Medicaid Expenditures (State and Federal)</b>	<b>\$6,144.1</b>	<b>6.9%</b>	<b>\$6,570.3</b>	<b>4.6%</b>	<b>\$6,874.2</b>	<b>6.8%</b>	<b>\$7,343.2</b>
<b>FUNDING</b>							
Federal Funds	4,012.8	7.0%	4,293.5	4.7%	4,497.3	6.8%	4,800.9
DSH	30.0	61.7%	48.4	(19.3%)	39.1	(0.3%)	39.0
Non-State IGTs	25.3	827.2%	234.4	33.4%	312.7	1.8%	318.2
Cigarette Tax Revenues	71.6	18.1%	84.6	30.7%	110.6	10.5%	122.2
QAF Transfer to SBA	(33.3)	19.1%	(39.6)	(49.7%)	(19.9)	0.5%	(20.0)
GF Directed IGTs	288.3	(91.9%)	23.5	714.7%	191.4	1.3%	193.9
<b>Non-Medicaid Assistance Funds</b>	<b>\$4,394.7</b>	<b>5.7%</b>	<b>\$4,644.8</b>	<b>10.5%</b>	<b>\$5,131.2</b>	<b>6.3%</b>	<b>\$5,454.2</b>
<b>Forecasted Medicaid GF Assistance Need</b>	<b>\$1,749.5</b>	<b>10.1%</b>	<b>\$1,925.5</b>	<b>(9.5%)</b>	<b>\$1,743.0</b>	<b>8.4%</b>	<b>\$1,889.0</b>
Less ARRA FMAP Stimulus Funding	\$573.4	(18.8%)	\$465.3				
<b>Required Medicaid General Fund Assistance</b>	<b>\$1,176.1</b>	<b>24.2%</b>	<b>\$1,460.2</b>	<b>19.4%</b>	<b>\$1,743.0</b>	<b>8.4%</b>	<b>\$1,889.0</b>
<b>General Fund Medicaid Assistance Appropriation</b>	<b>\$1,116.0</b>	<b>28.0%</b>	<b>\$1,428.8</b>				
Contingency Fund Contribution	\$57.6						
<b>Sub-total (Shortfall)/Surplus</b>	<b>(\$2.5)</b>		<b>(\$31.4)</b>				

**State of Indiana, Family and Social Services Administration**  
**Average Monthly Enrollment Forecast: SFY 2010 - SFY 2013**  
**Using Data through October 31, 2010**

**Total Medicaid**

Average Monthly Enrollment	FY 2010	<i>Growth</i>	FY 2011	<i>Growth</i>	FY 2012	<i>Growth</i>	FY 2013
<b>ADULTS AND CHILDREN</b>							
Adults	112,210	6.2%	119,133	7.5%	128,045	4.4%	133,632
Children	539,095	5.5%	568,727	6.8%	607,213	5.0%	637,735
Mothers	30,383	1.8%	30,931	2.4%	31,661	2.2%	32,366
CHIP	79,687	8.1%	86,122	9.0%	93,845	5.9%	99,420
Healthy Indiana Plan	46,082	(0.3%)	45,949	13.8%	52,289	13.7%	59,463
<b>Total Adults and Children</b>	<b>807,458</b>	<b>5.4%</b>	<b>850,863</b>	<b>7.3%</b>	<b>913,052</b>	<b>5.4%</b>	<b>962,617</b>
<b>AGED, BLIND AND DISABLED</b>							
Institutionalized	34,375	1.2%	34,787	1.0%	35,128	1.4%	35,617
Waiver	21,033	3.9%	21,859	5.1%	22,964	1.9%	23,408
No Level of Care							
Dual	76,214	11.2%	84,785	6.5%	90,268	3.6%	93,554
Non-Dual	78,815	12.2%	88,461	7.3%	94,881	3.9%	98,568
Partial	28,767	6.9%	30,756	4.7%	32,192	3.5%	33,304
<b>Total Aged, Blind, and Disabled</b>	<b>239,205</b>	<b>9.0%</b>	<b>260,648</b>	<b>5.7%</b>	<b>275,433</b>	<b>3.3%</b>	<b>284,451</b>
<b>OVERALL TOTAL</b>	<b>1,046,663</b>	<b>6.2%</b>	<b>1,111,510</b>	<b>6.9%</b>	<b>1,188,485</b>	<b>4.9%</b>	<b>1,247,068</b>